



# MISSOURI DEPARTMENT OF MENTAL HEALTH

DORN SCHUFFMAN, DEPARTMENT DIRECTOR



DEPARTMENT  
OPERATING  
REGULATION  
NUMBER

DOR  
5.055

CHAPTER Fiscal Administration	SUBCHAPTER Reimbursement for Services	EFFECTIVE DATE 9/15/02	NUMBER OF PAGES 3	PAGE NUMBER 1 of 3
SUBJECT Collection Procedures		AUTHORITY Section 630.050, RSMo	HISTORY See below	
PERSON RESPONSIBLE Deputy Director, Administration			SUNSET DATE 7/1/06	

**PURPOSE:** To establish procedures for collecting delinquent accounts arising from client services provided in DMH facilities.

**APPLICATION:** Applies to the entire department.

(1) Collection letters shall be issued by the department's central office on accounts when they become three (3) months past due. Each collection letter shall advise a debtor that:

- (A) A payment plan may be arranged within fifteen (15) days of the date of the letter; and
- (B) The account is now subject to the state's debt offset program.

(2) Accounts may be subject to the state's debt offset program for debtors who appeal their rate or request a payment plan when both the following conditions are met:

- (A) A decision on the appeal or request for a payment plan has been communicated to the debtor; and
- (B) Two (2) months or more have elapsed since the communication and the debtor has not abided by the decision.

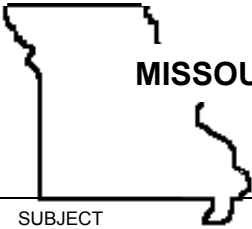
(3) A Certificate of Account (DMH-8006) shall be prepared by a department facility and referred to legal counsel when:

- (A) There is an estate for an incapacitated or disabled client;
- (B) There is a decedent's estate on a former client who incurred unmet cost of care for services received after January 1, 1978; or
- (C) The central office of the department or department's legal counsel requests a certificate.

(4) Payments and credit adjustments to an account shall be applied to the oldest amount owed by a debtor, unless the oldest amount owed is barred from collection by federal or state law.

(5) An account may be deemed uncollectible and removed from the accounts receivable by a department facility, if documented, when any of the following conditions occur:

- (A) The debt is discharged by a U.S. Bankruptcy Court;
- (B) The debtor owes an amount less than the amount specified in Section 143.783 RSMo (\$25.00) for debt offset and charges have not been incurred in the past twelve (12) months;
- (C) The debt is at least five (5) years old with no collection or written statements from the debtor indicating a willingness to pay within the past five (5) years, and the



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debt is not based on Section 473.398 RSMo. (Recovery of public assistance funds from recipient's estate.);

(D) The debtor has been deceased for at least four (4) years and no estate has been opened in probate court;

(E) The estate for a deceased debtor has been probated and the distribution of the estate has been completed;

(F) The debtor, other than a representative payee or conservator for a client, is a Medicaid recipient and qualified for the assistance under one of the following categories:

1. Old Age Assistance (OAA);
2. Permanent and Total Disability (PTD); or
3. Aid to Blind (AB);

(G) The debtor, other than a representative payee or conservator for a client, is a recipient of the Supplemental Security Income (SSI) program;

(H) The debtor is a Food Stamp recipient;

(I) It is ascertained that the financial determination of ability to pay was in error and the debtor was financially incapable of paying any charges at the time of assessment;

(J) Legal counsel determines the account is uncollectible.

(6) The Reimbursement Administrator, with concurrence of the director or designee, may write off or adjust the balance of any account when collection appears improbable or limited.

(7) The collection effort for bad debts (deductibles and coinsurances) incurred by Medicare recipients shall be in accordance with Medicare rules and regulations.

(8) A department facility may adjust a delinquent account balance when:

(A) Legal counsel compromises an account balance with department concurrence;

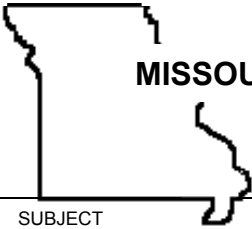
(B) The reapplication of the Standard Means Test reveals that the assessment was in error; or

(C) The amount billed was in error.

(9) The department reserves the right to reinstate any account earlier deemed uncollectible whenever collection appears probable within the statutory time limit.

(10) Nothing in this regulation shall preclude the department from reapplying the Standard Means Test when additional financial information becomes available.

(11) Facility staff shall route direct to the Office of the Attorney General claims on decedent's estates and claims accruing in guardianship or conservatorship estates within five (5) months following publication of letters.



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(12) In May of each even numbered year, the Reimbursement Section will seek review of this DOR to ensure the processes are followed. Findings and results of the review shall be submitted to the Deputy Director, Office of Administration. Recommendations shall be part of the review.

(13) Failure to comply or assure compliance with the provisions of this Department Operating Regulation may be cause for disciplinary action, including dismissal.

*History: Original DOR effective October 1, 1984. Amendment effective September 1, 1990. Amendment effective July 1, 1996. Amendment effective September 15, 2002.*